

AMENDED IN ASSEMBLY JANUARY 27, 2010

AMENDED IN ASSEMBLY MAY 4, 2009

AMENDED IN ASSEMBLY APRIL 21, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 347**

**Introduced by Assembly Member ~~Block~~ Bass**

*(Principal coauthors: Assembly Members Block, Charles Calderon,  
and John A. Perez)*

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Arambula, Bill Berryhill, Tom Berryhill, Blakeslee, Blumenfield,  
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Villines, and Yamada)*

February 19, 2009

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~~An act to amend Section 7054 of the Revenue and Taxation Code,  
relating to taxation. An act to add and repeal Sections 17206.5 and  
24357.11 of the Revenue and Taxation Code, relating to taxation, to  
take effect immediately, tax levy.~~

## LEGISLATIVE COUNSEL'S DIGEST

AB 347, as amended, ~~Block Bass. Sales and use taxes: failure to furnish information.—Income and corporation taxes: charitable contributions: Haiti earthquake victims.~~

*The Personal Income Tax Law and the Corporation Tax Law, in modified conformity to federal income tax laws, allows a charitable contribution deduction in computing tax liability.*

*This bill would, for a cash contribution made after January 11, 2010, and before March 1, 2010, for the relief of victims in areas affected by the earthquake in Haiti on January 12, 2010, authorize taxpayers to treat that contribution as if it were made on December 31, 2009, and not in 2010.*

*This bill would take effect immediately as a tax levy.*

~~The Sales and Use Tax Law imposes a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, and on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. The State Board of Equalization is authorized to administer and enforce that law. Existing law provides that the board or any authorized person may examine the books, papers, records, and equipment of any person selling tangible personal property and any person liable for the use tax and may investigate the character of the business of the person in order to verify the accuracy of any return made, or, if no return is made by the person, to ascertain and determine the amount required to be paid.~~

~~This bill would authorize the board to impose a 25% penalty, as specified, if during an examination or audit engagement, a person fails or refuses to furnish any relevant and reasonable information requested in writing by the board, by a specified date as provided. This bill would also clarify that records include electronic data.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 *SECTION 1. Section 17206.5 is added to the Revenue and*
- 2 *Taxation Code, to read:*
- 3 *17206.5. (a) For purposes of Section 170 of the Internal*
- 4 *Revenue Code, a taxpayer may treat any contribution described*

1 *in subdivision (b) made after January 11, 2010, and before March*  
2 *1, 2010, as if the contribution was made on December 31, 2009,*  
3 *and not in 2010.*

4 *(b) A contribution is described in this subdivision if the*  
5 *contribution is a cash contribution made for the relief of victims*  
6 *in areas affected by the earthquake in Haiti on January 12, 2010,*  
7 *for which a charitable deduction is allowable.*

8 *(c) In the case of a contribution described in subdivision (b), a*  
9 *telephone bill showing the name of the donee organization, the*  
10 *date of the contribution, and the amount of the contribution shall*  
11 *be treated as meeting the recordkeeping requirements of this part*  
12 *and Part 10.2 (commencing with Section 18401).*

13 *(d) This section shall remain in effect only until December 1,*  
14 *2011, and as of that date is repealed.*

15 *SEC. 2. Section 24357.11 is added to the Revenue and Taxation*  
16 *Code, to read:*

17 *24357.11. (a) For purposes of Section 24357, a taxpayer may*  
18 *treat any contribution described in subdivision (b) made after*  
19 *January 11, 2010, and before March 1, 2010, as if the contribution*  
20 *was made on December 31, 2009, and not in 2010.*

21 *(b) A contribution is described in this subdivision if the*  
22 *contribution is a cash contribution made for the relief of victims*  
23 *in areas affected by the earthquake in Haiti on January 12, 2010,*  
24 *for which a charitable contribution deduction is allowable.*

25 *(c) In the case of a contribution described in subdivision (b), a*  
26 *telephone bill showing the name of the donee organization, the*  
27 *date of the contribution, and the amount of the contribution shall*  
28 *be treated as meeting the recordkeeping requirements of this part*  
29 *and Part 10.2 (commencing with Section 18401).*

30 *(d) This section shall remain in effect only until December 1,*  
31 *2011, and as of that date is repealed.*

32 *SEC. 3. This act provides for a tax levy within the meaning of*  
33 *Article IV of the Constitution and shall go into immediate effect.*

34 ~~SECTION 1. Section 7054 of the Revenue and Taxation Code~~  
35 ~~is amended to read:~~

36 ~~7054. (a) The board or any person authorized in writing by it~~  
37 ~~may examine the books, papers, records, including without~~  
38 ~~limitation, electronic data, and equipment of any person selling~~  
39 ~~tangible personal property and any person liable for the use tax~~  
40 ~~and may investigate the character of the business of the person in~~

1 order to verify the accuracy of any return made, or, if no return is  
2 made by the person, to ascertain and determine the amount required  
3 to be paid.  
4 (b) If, during an examination or audit engagement, any person  
5 described in subdivision (a) fails or refuses to furnish any relevant  
6 and reasonable information requested in writing by the board, by  
7 a date specified by the board, which is no earlier than 30 days from  
8 the date of the request, then, unless the failure is due to reasonable  
9 cause and not willful neglect, the board may add a penalty of 25  
10 percent of the amount of any deficiency of tax determined by the  
11 board concerning that portion of the determination for which the  
12 information was required.